



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

830 PUNCHBOWL STREET, ROOM 321
HONOLULU, HAWAII 96813
www.hawaii.gov/labor
Phone: (808) 586-8842 / Fax: (808) 586-9099
Email: dlir.director@hawaii.gov

January 30, 2012

To: The Honorable Karl Rhoads, Chair, Kyle Yamashita, Vice Chair,
and Members of the House Committee on Labor & Public Employment

Date: Friday, February 3, 2012

Time: 9:00 a.m.

Place: Conference Room 309

From: Dwight Takamine, Director
Department of Labor and Industrial Relations

Re: HB 2576 - Relating to Employment Security Law

I. OVERVIEW OF PROPOSED LEGISLATION

HB 2576 amends section 383-69, Hawaii Revised Statutes (HRS), to clarify that employer's contribution rate notices should be appealed to the Employment Security Appeals Referees' Office (ESARO). This is a housekeeping measure intended to maintain uniformity in existing procedures for processing appeals of any determination rendered under Chapter 383, HRS.

The department strongly supports this measure.

II. CURRENT LAW

Section 383-69, HRS, specifies that the employer has fifteen days after the mailing of the contribution rate notice to file an application for review and redetermination. If the department grants the review, a fair hearing is held and the department's redetermination is final unless proceedings are commenced in circuit court. The existing statute does not specifically identify ESARO as the agency responsible for allowing or denying the review or conducting the fair hearing.

III. COMMENTS ON THE HOUSE BILL

The department strongly supports this administration initiative to ensure that responsibilities are clearly defined and delineated to the extent that all rate notice challenges are handled efficiently and without any misunderstanding. Current UI procedures are consistent with the provisions of this proposal.